(e) The official involved in the bogus refund cases has been placed under suspension. In addition to criminal proceedings initiated by the Police, further action as per Central Civil Services (Classification, Central and Appeal) Rules shall be initiated against the official after receipt of report from Delhi Police.

Audit Norms for Urban Co-operative Banks

856. SHRI B.K. HARIPRASAD: Will the Minister of FINANCE be pleased to state:

(a) whether many State Governments, including Karnataka, have undertaken to introduce audit norms stipulated by RBI for Urban Cooperative Banks including its audit rating model as applicable to other banks;

(b) if so, whether these States have signed a MoU with RBI; and

(c) if so, whether these measures will help in restoring the confidence of banking public in UCBs, a few of which had closed down shutters in the recent past?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Two State Governments *viz.* Andhra Pradesh and Gujarat have signed a Memorandum of Understanding (MoU) with Reserve Bank of India, undertaking to introduce Long Form Audit Report (LFAR) and modify audit rating models in alignment with the gradation system adopted by the Reserve Bank for all Urban Cooperative Banks (UCBs) and have statutory audit of UCBs with deposit of more than Rs. 25 crore through Chartered Accountants. The State Government of Karnataka has not yet signed the MoU with RBI.

(c) The initiatives taken by Reserve Bank are expected to restore the confidence of public in urban cooperative banks.

Popularity of Nepalese currency

857. SHRI TARIQ ANWAR: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Nepalese currency is more popular in the cities touching Nepal border;

(b) if so, the reasons therefor; and

(c) whether the Nepalese currency in the cities is legal fender and is interchangeable with Indian currency?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRi S.S. PALANIMANICKAM): (a) and (b)As per information furnished by RBI, some amount of Nepalese currency does circulate in the Indian cities touching Nepal border on account of overland trade.

(c) No, Sir.

CAG's report on disinvestment of BALCO

† 858. SHRI RAMADHAR KASHYAP: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Comptroller and Auditor General of India had objected on many points in its preliminary report on disinvestment of BALCO;

(b) if so, the details of the points objected;

(c) whether a charge for fraud of Rs. 320 crores has also been made; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) The Comptroller and Auditor General of India (C&AG) had made certain observations in its Draft Inspection Report dated 4th October 2001 on disinvestment of Government Equity in BALCO. Government's reply thereto has been sent to the Office of the C&AG on 7th December, 2001.

Loans to fishermen struck by Tsunami

859. SHRI EKANATH K. THAKUR: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that after four months since the Tsunami struck the Tamil Nadu coast and washed away a prosperous economy, the fishermen even now are unable to return to their profession as they have nothing to provide in the form of surety nor do they make any profits to pay back loans;

† Original notice of the question was received in Hindi.